



The Department of Agriculture strives towards a united and prosperous agricultural sector, with the aim of supporting sustainable agricultural development.

### Strategic Plan for South African Agriculture

The Department of Agriculture, through its socio-economic development initiatives, is committed to reducing poverty in South Africa and on the continent, broadening access to agriculture, and increasing productivity and profitability within the agricultural sector.

The Strategic Plan for South African Agriculture, adopted in 2001, consists of three core objectives:

- equitable access and participation
- global competitiveness and profitability
- sustainable resource management.

The plan is the result of collaboration between government, Agri South Africa (Agri SA) and the National African Farmers' Union (Nafu).

### Agricultural economy

The total contribution of agriculture to the economy increased from R27 billion in 2001 to R36 billion in 2007. South Africa's dual agricultural economy comprises a well-developed commercial sector and a predominantly subsistence-oriented sector in the rural areas.

About 12% of South Africa's surface area can be used for crop production. High-potential arable land comprises only 22% of total arable land. Some 1,3 million hectares (ha) are under irrigation. This amounts to about 1,5% of South Africa's agricultural land.

The most important factor limiting agricultural production is the availability of water. Rainfall is distributed unevenly across the country. Almost 50% of South Africa's water is used for agricultural purposes.

The country can be subdivided into a number of farming regions according to climate, natural vegetation, types of soil and the type of farming practised.

Agricultural activities range from intensive crop production and mixed farming in winter-rainfall and high summer-rainfall areas, to cattle ranching in the bushveld and sheep farming in the more arid regions. Owing to its geographical location, some parts of South Africa are prone to drought.

Primary commercial agriculture contributes about 2,5% to South Africa's gross domestic product (GDP) and about 8% to formal employment. However, there are strong backward and

forward linkages into the economy, so that the agro-industrial sector is estimated to comprise about 12% of the GDP.

Although South Africa has the ability to be self-sufficient in virtually all major agricultural products, the rate of growth in exports has been slower than that of imports.

The only increase in agricultural export volumes occurred during the period of exchange-rate depreciation in 2002 and came to about nine million tons (mt). Major import products include wheat, rice, vegetable oils and poultry meat.

Despite the farming industry's declining share of GDP, it remains vital to the economy and the development and stability of the southern African region.

For the past five years, agricultural exports have contributed on average about 7% of total South African exports. Exports increased from 5% (1988) to 38% (2007) of agricultural production, but South Africa is losing on its net trade balance on processed goods, owing to the growth in imports of processed goods. The estimated value of imports in 2007 came to R29,2 billion, while exports totalled R29,7 billion in 2007.

The largest export groups are wine, citrus, sugar, grapes, fruit juice, wool and deciduous fruit such as apples, pears and quinces. Other important export products are non-alcoholic beverages, avocados, pineapples, groundnuts, preserved fruit and nuts, hides and skins.

### Genetically modified organisms (GMOs)

South Africa does not have ideal conditions for crop production. Less than 12% of its land is arable and serious climatic constraints, such as periodic droughts, limit agricultural production.

Genetic modification (GM) provides a way of meeting the growing demand for food without placing even greater pressure on scarce resources.

The GMO Act, 1997 (Act 15 of 1997), which was implemented on 1 December 1999, provides for the regulation of GMO activities in South Africa, particularly that biosafety assessments should be conducted for every proposed GMO activity. In terms of the Act, permits are issued for a specific GMO activity, such as trials for commercial release in the country. The permits may also



specify conditions under which a particular activity with GMOs should take place.

The objectives of the Act are to promote the responsible application of GMOs in South Africa without impacting negatively on human or animal health, the environment or biodiversity. In terms of the GMO Act, 1997, the Advisory Committee (AC), comprising scientific experts, evaluates risk assessments to determine if a particular GMO is safe for humans, animals and the environment. The Executive Council (EC) consists of members from six government departments, namely agriculture, health, environmental affairs and tourism, science and technology, trade and industry and labour, and the chairperson of the AC.

The EC considers the recommendations of the AC, comments from members of the public or interested parties, and compliance with various policies before taking a decision to permit an activity or not.

South Africa has already commercialised three different GM crops, namely maize, cotton and soya beans. The latest approval of a GM crop for commercial use was in 2007, for GM maize that is both resistant to certain insect species and herbicide tolerant; and also for GM cotton that has an improved mechanism to enable herbicide tolerance. Field trials and contained experiments are still being undertaken for soya beans, potatoes, maize, sugar cane and cotton.

In June 2008, Cabinet instructed the Social and Economic Cluster government departments to expand programmes that support vulnerable groups as higher food prices impact negatively on their purchasing power.



These include:

- rolling out various government programmes that broaden and strengthen the coverage of social safety-net measures such as school-feeding programmes
- continuing with standardised comprehensive starter seed-pack distribution, encouraging the establishment of community and household gardens
- investing in agroprocessing infrastructure in rural areas
- introducing rebates on certain agricultural input
- reducing the cost of agricultural commodities such as grain
- promoting small holders such as diary farming
- focusing on improved productivity, through massification programmes
- motivating the commercial sector to optimally respond to the favourable economic conditions by increasing agriculture activities.

Since the adoption of “biotech” crops in 1996, the areas planted to GM maize, soya beans and cotton in South Africa have increased to 1,8 million ha. In 2008, white GM maize totalled 1,04 million ha, an increase of 48% over 2006/07, representing a market share of 62%. Yellow maize increased from 528 000 ha to 567 000 ha, which was 7% higher.

The cumulative value of GM maize at farmer’s price totalled R21,63 billion and cumulative GM maize produced was 14,67 mt.

### Sustainable resource management and use

Most of the time, South Africa is able to meet its own food requirements. The Agricultural Research Council’s (ARC) Institute for Soil, Climate and Water (ISCW) has compiled an inventory of soils, terrain forms and climate (land types). The *National Land Type Survey*, completed in 2001, assists and informs land-use planning and decision-making at national level. All natural-resource information is integrated into the comprehensive Agricultural Geo-Referenced Information System (AGIS) that is accessible via the Internet. The AGIS also has information on agricultural potential and land capability.

Although it is generally recognised that soil degradation is a problem, little reliable data has been collected systematically over time. Soil degradation is largely related to the decline in soil organic matter.

Monoculture cereal production, intensive tillage, short-to-no fallow periods and limited crop rotation have contributed to this in the commercial sector.


Excessive fuel-wood collection, inappropriate land use, population density and overgrazing are the main causes of soil degradation in communal areas. In addition, it is estimated that about 60% of the cropland area is moderately to severely acidic, and probably at least 15% is affected by subsoil acidity.

The Agricultural Fires Information System (AFIS) that tracks all outbreaks of fire in the Southern African Development Community (SADC) region, has been implemented and can be viewed at [www.agis.agric.za](http://www.agis.agric.za).

### Soil degradation

From the latest soil-erosion prediction data, it was calculated that the area of land with a high to extremely high erosion risk totals 1,5 million ha (around 1% of the land surface). More than





11 million ha (9%) are classified as having a moderate erosion risk and 17% are classified as very low to low risk.

It is estimated that 25% of South Africa is covered by soils that are also potentially highly susceptible to wind erosion. These include the sandy soils in the western half of the “maize quadrangle” in the North West and north-western Free State – the areas that produce 75% of the country’s maize.

South African soils are extremely prone to serious soil compaction, particularly under intensive mechanised cultivated agriculture, both dryland and irrigated. It is a problem throughout the country and much more widespread and serious than the global norm.

Large areas of South Africa are covered by soils that are extremely prone to serious crusting (surface sealing). The extent of crusting, as well as awareness of it, have increased sharply during the last two decades. Switching to overhead and microregulation systems and the widespread problems associated with these on crusting-prone soils greatly contributed to this.

Human-induced soil acidification is a major problem in South Africa. Its impact is serious, because it affects the scarce, arable land, especially high-potential land. More than five million ha of cultivated land have already been seriously acidified, mainly owing to injudicious fertiliser practices and inadequate lime applications. In the high-potential areas of Mpumalanga, opencast and strip-coal mining also cause soil acidification.

Soil fertility degradation is a matter of concern. In commercial agriculture, there has been a tendency of “nutrient capital-building” for some nutrients, especially phosphorus and zinc. In some cases, phosphorus has been built up to excessive levels, where it starts to reduce yields.

Statistics for the last 20 years indicate that trends in p-levels for these key nutrients follow two opposite directions: in a significant proportion of commercial croplands, p-levels are declining from adequate to deficient, whereas in other cases, the levels are increasing from adequate to excessive levels owing to overfertilisation.

### Irrigation

Irrigation is by far the biggest single user of run-off water in South Africa and has substantial potential to make a significant socio-economic and social impact on rural society. Irrigation is an important factor in the South African economy. Irrigated agriculture contributes more than 30% of the gross value of the country’s crop production.

About 90% of the country’s fruit, vegetables and wine is produced under irrigation. The Department of Agriculture has identified irrigation development as one of the five priority areas of the Accelerated and Shared Growth Initiative for South Africa (AsgiSA) and aims to expand irrigation by 50%.

This goal will be achieved by:

- increasing the water-use efficiency of irrigation systems and future irrigated land
- revitalising underused irrigation schemes/areas based on a sustainable and area-wide planning approach
- promoting mini-scale irrigated agriculture for household- and community-level food security through efficient irrigation technologies
  - identifying and developing new commercial irrigation areas in co-operation with the Department of Water Affairs and Forestry.

### Production

The total gross value of agricultural production (total production during the production season valued at the average basic prices received by producers) for 2007/08 is estimated at R111 760 million, compared to R93 390 million the previous year – an increase of 19,7%. This increase can be attributed mainly to a significant increase in the value of field crops.

### Prices

Producer prices of agricultural products increased, on average, by 24,9% from 2006 to 2007, compared with an increase of 17,9% during the previous year. In 2007, the producer prices of field crops rose by 41,9%, against an increase of 32,4% the previous year. This increase was mainly the result of a 44,7% increase in the price of summer grains, and increases of 90,4% and 51,9% in the prices of winter cereals and dry beans, respectively.

Producer prices of horticultural products increased by 20,6% in 2007 compared with 2006. Prices of vegetables increased, on average, by 20,6% during 2007, while the prices of fresh fruit increased by 27,7%.

The producer prices of animal products were 14,5% higher in 2007 than in 2006.

Prices received for pastoral products increased by 29,9%. The price farmers received for milk was 33,8% higher. Prices received for poultry products rose by 13%.

### Farm income

The gross income of producers (the value of sales and production for other uses plus the value of





**Gross value of agricultural production, 2007 (R'000)**

<b>Field crops</b>	
Maize	11 451 679
Wheat	3 878 983
Hay	2 314 555
Grain sorghum	294 562
Sugar cane	4 198 557
Groundnuts	285 121
Tobacco	228 445
Sunflower seed	921 985
Cotton	87 809
Other	1 525 972
<b>Total</b>	<b>25 287 668</b>
<b>Horticulture</b>	
Viticulture	2 907 086
Citrus fruit	5 013 038
Subtropical fruit	1 689 069
Deciduous and other fruit	5 755 887
Vegetables	5 476 294
Potatoes	3 405 277
Other	1 437 148
<b>Total</b>	<b>25 683 799</b>
<b>Animal products</b>	
Wool	1 312 768
Poultry and poultry products	20 409 362
Cattle and cattle products	12 689 536
Sheep and goats slaughtered	2 296 452
Pigs slaughtered	2 247 136
Milk	7 565 475
Other	2 446 444
<b>Total</b>	<b>48 967 173</b>
<b>Grand total</b>	<b>99 938 640</b>

Source: Directorate: Agricultural Statistics, Department of Agriculture

changes in inventories) for 2007 amounted to R96 653 million, compared with R79 599 million in 2006 – an increase of 21,4%.

In 2007, the gross income from field crops increased by 31,8% to R22 988 million, compared with R17 445 million in 2006. This was mainly because of the higher prices that farmers received for summer crops during 2007.

Gross income from horticultural products increased by 16,6%, from R21 162 million in 2006 to R24 676 million in 2007.

Income from deciduous and other summer fruit increased by 21,1% to R6 042 million, while that of citrus fruit increased by 28,7% to R4 153 million. The income from vegetables amounted to R8 688 million – an increase of 15,4%. Income from potatoes, which made a contribution of about 37,9% to the gross income from vegetables, increased by 11,7%, from R2 950 million in 2006 to R3 294 million in 2007. Gross income from animal products was 19,5% higher and amounted to R48 989 million. Producers earned R13 046 million from slaughtered cattle and calves – representing an increase of 15,3%. Income from slaughtered

sheep increased by 15,4% and amounted to R2 447 million. Income from poultry amounted to R15 131 million – resulting in an increase of 16,3%. Income from milk increased by 31,8% to R7 420 million.

### Field crops and horticulture

The largest area of farmland planted with field crops is maize, followed by wheat and, to a lesser extent, sugar cane and sunflowers.

The grain industry is one of the largest in South Africa and is a very strategic one.

According to the *Economic Review of the South Africa Agriculture*, the gross income from field crops increased by 26,7% to R29 872 million for the year ended 30 June 2008.

### Maize

Maize is the largest locally produced field crop, and the most important source of carbohydrates in the SADC for animal and human consumption.

South Africa is the main maize producer in the SADC, with an average production of about 8,9 mt a year over the past 10 years. It is estimated that more than 8 000 commercial maize producers are responsible for the major part of the South African crop, while the rest is produced by thousands of small-scale producers.

Maize is produced mainly in North West, the Free State and Mpumalanga. A total of 6,9 mt of maize was produced in 2006/07 on two million ha of land (developing agriculture included).

### Wheat

Wheat is produced mainly in the winter-rainfall areas of the Western Cape and the eastern parts of the Free State. Average wheat production has totalled about 2 mt a year over the past 10 years.

There was a distinct downward trend in the area planted to wheat over the past few years. Extra wheat is imported to meet local requirements.


### Barley

Barley is produced mainly on the southern coastal plains of the Western Cape. The area of barley planted totalled 73 200 ha in the 2007 production season. Production totalled 195 900 t.

### Groundnuts

Groundnuts are grown mainly in the Free State, North West and the Northern Cape. Groundnut plantings decreased by 21% from 48 550 ha in 2005/06 to 40 770 ha in 2006/07. Some





54 240 t of groundnuts were available for use during the 2007/08 marketing year.

### Sunflower seed

South Africa is the world's 12th-largest producer of sunflower seed, which is produced in the Free State, North West, on the Mpumalanga Highveld and in Limpopo.

An area of 316 350 ha was planted in 2006/07, producing 300 000 t.

### Sorghum

Sorghum is cultivated mostly in the drier parts of the summer-rainfall areas such as Mpumalanga, the Free State, Limpopo and North West.

In 2006/07, an estimated 69 000 ha were planted with production totalling 165 875 t.

### Soya beans

Soya beans are mainly produced in Mpumalanga, the Free State and KwaZulu-Natal. Small quantities are produced in Limpopo, Gauteng and North West. Soya beans contribute about 1,8% to the gross value of field crops. The estimated average gross value of soya beans for the past five seasons amounts to R434 million.

Soya-bean production has decreased steadily during the past decade, partly as a result of an decrease in yield per hectare.

In 2006/07, soya-bean production totalled 205 000 t on 183 000 ha.

### Canola

Canola is an oilseed crop that is mainly grown in the Western Cape. However, since the 2001 production season, smaller quantities have also been planted in the northern production areas, North West and Limpopo.

Canola competes with other oilseeds such as sunflower seeds and soya beans on the local market. For the 2006/07 marketing season, the total supply of canola was estimated at 46 400 t (the estimated canola crop of 36 800 t, together with carry-over stocks of about 9 600 t).

### Dry beans

Dry beans are produced mainly in Mpumalanga, the Free State, Gauteng and North West. Small quantities are reported to be produced in KwaZulu-Natal, Limpopo, the Western Cape and Northern Cape.

Local demand is substantially higher than local production and therefore large quantities of dry beans are imported each year. In 2006, 80 000 t of dry beans were produced.

### Sugar

The South African sugar industry is one of the world's leading cost-competitive producers of high-quality sugar. It is a diverse industry combining the agricultural activities of sugar-cane cultivation with the industrial factory production of raw and refined sugar, syrups and specialised sugars, and a range of by-products.

The South African sugar industry makes an important contribution to the national economy, given its agricultural and industrial investments, foreign-exchange earnings, its high employment rates and its linkages with major suppliers, support industries and customers.

Direct employment within the sugar industry totals about 85 000 jobs. Direct and indirect employment is estimated at 350 000 jobs, including employment in rural areas. The South African Cane Growers' Association and the milling companies undertake development projects and are involved in Black Economic Empowerment (BEE) through a range of initiatives.

The about 47 000 registered sugar-cane growers annually produce on average 20 mt of sugar cane from 14 mill-supply areas, extending from northern Pondoland in the Eastern Cape to the Mpumalanga Lowveld.

### Deciduous fruit

In 2007/08, the gross income from horticultural products increased by 16,8% to R17 408 million.

Deciduous fruit is grown mainly in the Western Cape and in the Long Kloof Valley in the Eastern Cape. Smaller production areas are found along the Orange River and in the Free State, Mpumalanga and Gauteng.

In 2007/08, income from deciduous and subtropical fruit rose by 10,6% and 11,3% to R6 425 and R1 818 million respectively.

The industry is relatively organised, through the umbrella body, Fruit South Africa, and its four shareholders: the Fresh Produce Exporters' Forum (FPEF), the Deciduous Fruit Producers' Trust, the Citrus Growers' Association and the South African Subtropical Growers' Association. The FPEF is a Section 21 company that represents 72 out of about 300 fresh-fruit export companies in South Africa. The FPEF played a significant role in stabilising and unifying the export sector, particularly in the latter half of deregulation. Fruit South Africa has drawn up an extensive business plan to create a unified, non-racial and progressive fruit industry.



### **Wine**

Internationally, South Africa's wines are highly competitive, with the industry showing a sustainable and increasingly positive trend in recent years.

In 2007/08, income from viticulture increased by 5,4% to R2 974 million. The wine industry employs 257 000 people directly and indirectly, while an additional R4,2 billion is generated annually through wine tourism.

The area planted under wine grapes has increased constantly since 1990, and totalled 101 958 ha in 2007. The 2007 harvest amounted to 1 351 447 t.

In April 2008, the South African Wine Industry Information and Systems estimated the 2008 wine and grape crop at 776 litres per gross ton.

### **Citrus and subtropical fruit**

Citrus production is largely limited to irrigation areas and takes place in Limpopo (16 255 ha), Mpumalanga (11 681 ha), the Eastern Cape (12 923 ha), KwaZulu-Natal (4 004 ha), the Western Cape (9 524 ha) and Northern Cape (639 ha).

In 2007/08, income from citrus showed the biggest increase of 35% and amounted to R5 318 million.

Pineapples are grown in the Eastern Cape and in northern KwaZulu-Natal. Other subtropical crops such as avocados, mangoes, bananas, litchis, guavas, papayas, granadillas, and macadamia and pecan nuts are produced mainly in Mpumalanga and Limpopo and in the subtropical coastal areas of KwaZulu-Natal and the Eastern Cape. In 2006, South Africa produced 686 582 t of subtropical fruit, which was 81 585 t or 10,6% less than in 2005.

### **Potatoes**

North West recently started with the production of seed potatoes. The Northern Cape is one of the six largest seed-potato production areas in South Africa. The new South African varieties Darius and Eryn constitute a large percentage of the seed grown in this region.

The KwaZulu-Natal Midlands form the centre of the seed-production area in this province. Some seed is also produced in the north near Louwsburg, a traditionally virus-free area. This region is one of the largest seed-producing areas in South Africa.

About 40% of the country's potato crop is grown in the high-lying areas of the Free State and Mpumalanga, Limpopo, and the Eastern, Western and Northern Cape.

The high-lying areas of KwaZulu-Natal are also important production areas. Nearly two thirds of the country's total potato crop are produced under irrigation.

Of the total crop, 50% is delivered to fresh-produce markets and a further 19% is processed. The South African potato-processing industry has shown tremendous growth over the past few years. This growth took place primarily in the crisps, chips and French fries sectors. Frozen French fries comprise 39% of total processed potato products in South Africa.

In terms of gross income to the grower, potatoes are by far the most important vegetable crop, contributing 39% to the total income derived from vegetables. This is almost equal to the 40% derived collectively from the next four major crops, i.e. tomatoes, onions, green mealies and sweetcorn. Between July 2006 and June 2007, 1 917 000 t of potatoes were produced.

### **Tomatoes**

Tomatoes are produced countrywide, but mainly in Limpopo, the Mpumalanga Lowveld and Middleveld, the Pongola area of KwaZulu-Natal, the southern parts of the Eastern Cape, and the Western Cape. In 2006/07, 456 000 t of tomatoes were produced.

### **Onions**

Onions are grown in Mpumalanga; in the districts of Caledon, Ceres and Worcester in the Western Cape; and at Venterstad and adjoining areas in the southern Free State.

Onions have an estimated planting of 6 500 ha to 7 000 ha and retail value of R200 million a year. In 2006/07, 408 000 t of onions were produced. Exports from South Africa (8 000 t a year) to Europe are relatively small compared to exports such as those of New Zealand (106 000 t a year), Australia and Tasmania (80 000 t a year) and Argentina (20 000 t a year).


### **Cabbages**

Cabbages are grown countrywide, but are concentrated in Mpumalanga and the Camperdown and Greytown districts of KwaZulu-Natal. In 2006/07, 134 000 t of cabbages were produced.

### **Cotton**

Cotton is cultivated in Mpumalanga, Limpopo, the Northern Cape, KwaZulu-Natal and North West. It constitutes 74% of natural fibre and 42% of all fibre processed in South Africa.





Cotton is grown under irrigation as well as in dryland conditions.

Since 2004, about 60% of cotton has been produced under irrigation. During 2005/06, 18 114 ha were dedicated to cotton in South Africa, with 9 720 ha under irrigation and 8 394 ha under dryland conditions.

The greatest quantities of cotton lint for the 2006/07 marketing year were produced in Mpumalanga totalling 36 608 bales, followed by Limpopo with 12 332 bales and Northern Cape with 11 103 bales.

Production was the lowest in the Eastern Cape with 132 bales of cotton lint (each bale weighs 200 kg). About 75% of local production is harvested by hand.

### **Tobacco**

Virginia tobacco is produced mainly in Mpumalanga, Limpopo and North West. The production of Oriental tobacco ceased in 2001.

Flue-cured leaf tobacco contributes more than 80% of total production, with hectares cultivated for flue-cured tobacco being about six times the land cultivated for air-cured leaf tobacco. In 2006/07, 8,1 000 t of flue-cured tobacco were produced on 5 000 ha.

A total of 9,7 000 t of tobacco were produced.

### **Tea**

The tea industry has seen an improvement in the quality of tea and the establishment of export standards, the construction of a large processing and packaging facility in Mossel Bay in the Western Cape, increased consumer awareness, the appearance of several brand names on supermarket shelves and a growing foreign market.

Honeybush tea grows mainly in the coastal and mountainous areas of the Western Cape, but also in certain areas of the Eastern Cape. Honeybush tea has grown into a commercial crop, with 2006 production exceeding 300 t of processed tea.

The area planted with honeybush exceeds 230 ha, with about 10 commercial farmers contributing some 30% to the total annual production. It is estimated that honeybush grows on about 30 000 ha in South Africa.

Rooibos tea is indigenous to the Cederberg area of the Western Cape, which is about 200 km north of Cape Town. Although the main centre for tea production remains in this area, recent developments have seen production expand to other regions. Rooibos tea is only produced locally and efforts to keep it this way are ongoing.

The South African wine industry has launched a training programme in the run-up to the 2010 Soccer World Cup that will see more than 2 000 people receive specialised wine-steward training in preparation for



the event. Known as Project Laduma, the skills-development initiative is aimed at contributing to job creation and the transfer of marketable skills in South Africa. Wines of South Africa, the representative body of the local industry's export market, believes the initiative will help market South African wines to the mass of international consumers who are expected to arrive in South Africa for the World Cup. In keeping with the 2010 theme, 2 010 candidates will undergo the Sector Education and Training Authority-accredited training course. Half of the candidates will be selected from the hospitality sector, while the other half will be recruited from unemployed South Africans.

### **Floriculture**

The South African floriculture industry has the opportunity to develop into a significant player on the international stage. The total floriculture industry employs about 17 500 people. In terms of products and markets, there is a strong demand for South African floriculture worldwide. In particular, Germany, the United Kingdom, Japan and the Netherlands represent the greatest opportunities in the short term.

South Africa's indigenous flowers such as gladioli, nerine, freesias and gerberas, have undergone many years of extensive research in Europe, and have become major crops worldwide.

South Africa is the leading exporter of protea cut flowers, which account for more than half of the proteas sold on the world market. South African proteas and so-called Cape greens (fynbos) are marketed in Europe and are mainly concentrated in the Western Cape.

### **Livestock**

Nearly 80% of agricultural land in South Africa is suitable for extensive livestock-farming. Livestock are also kept in other areas, usually in combination with other farming enterprises. Numbers vary according to weather conditions.

Stockbreeders concentrate on developing breeds that are well adapted to diverse weather and environmental conditions.

The livestock sector contributes up to 49% of agricultural output. By mid-2007, there were 13,5 million cattle, 24,9 million sheep and 6,4 million goats being bred. South Africa generally produces 85% of its meat requirements, while the remaining





15% is imported from Namibia, Botswana, Swaziland, Australia, New Zealand and Europe.

The livestock industry is the largest national agricultural sector. The local demand for products, which generally outstrips production, creates a dependence on imports, even though there are untapped production reserves in the communal farming sector.

In September 2008, the World Meat Congress was held in South Africa for the first time. The South African Meat Industry Company hosted the congress in Cape Town.

### National Livestock Development Strategy (NLDS)

The NLDS aims to enhance the sustainability of animal agriculture in South Africa across the entire production, processing and supply chain. By mid-2007, it was being implemented by the relevant national, provincial and local governments and organised agriculture structures.

Implementation includes establishing sector working groups, mobilising rural stock owners and keepers towards economic production and supporting systems for the conservation of veld and livestock resources through sustainable use.

### Dairy farming

Dairy farming is practised throughout South Africa, with the highest concentration of dairy farms in the eastern and northern Free State, North West, the KwaZulu-Natal Midlands, the Eastern and Western Cape, the Gauteng metropolitan area and the southern parts of Mpumalanga.

The ARC participates fully in the Multiple Across-Country Evaluation for all four major dairy breeds in South Africa, namely Holstein, Jersey, Guernsey and Ayrshire.

The primary sector consists of about 3 600 and 200 000 commercial and emerging farmers respectively with an annual turnover of about R7 800 million.

Milk South Africa co-ordinates industry matters, including the information and research functions, and is financed by statutory contributions. Market forces determine prices. The dairy industry is an important employer, as some 3 850 milk producers employ about 50 000 farmworkers and indirectly provide jobs to some 38 000 people.

Utilisation of milk production for 2004/05 for commercial markets was estimated at 2 657 million litres (ML).

### Beef cattle

Cattle ranches are found mainly in the Eastern Cape, parts of the Free State and KwaZulu-Natal, Limpopo, North West, Mpumalanga and the Northern Cape. The indigenous Afrikaner and Nguni and the locally developed Bonsmara and Drakensberger are popular beef breeds. The Angus, Hereford and Sussex; Charolais, Simmentaler and Brahman; and Santa Gertrudis breeds are respectively from Britain, Europe and America, and are maintained as pure breeds or used in cross-breeding.

### Small stock (sheep and goats)

Sheep farming is concentrated mainly in the arid and extensive grazing areas of the country. As a result, most of the 25 million sheep in South Africa are found in the Eastern Cape, followed by the Northern Cape, Free State, Western Cape and Mpumalanga. Most sheep (18 million) are woolled or dual-purpose sheep.

The sheep breed with the highest wool production per head in South Africa is the South African Merino, followed by other dual-purpose Merino breeds, of which the Dohne Merino, South African Mutton Merino, the Afrino and Letelle are the most popular. Dual-purpose breeds are bred with the specific aim of maximising wool and mutton income. These breeds have better body conformation than the Merino, but produce slightly less wool per kilogram of body weight.

Average Merino fleece weights vary from 4 kg to 5 kg per year in the semi-arid regions, and up to 8 kg per year from sheep grazing on cultivated pastures.

Production of important field crops and horticultural products, 2007 ('000 t)	
Maize	7 339
Wheat	1 913
Sugar cane	19 724
Grain sorghum	202
Groundnuts	58
Sunflower seed	311
Deciduous and other soft fruit	1 701
Citrus fruit	2 281
Subtropical fruit	692
Vegetables	2 079
Potatoes	1 917

Source: Directorate: Agricultural Statistics, Department of Agriculture

The AgriBEE (Black Economic Empowerment) Sector Transformation Charter was launched in April 2008. The objectives of the AgriBEE Charter are to implement initiatives to include more black South Africans at all levels of agricultural activity and enterprises by:



- increasing the extent to which black women, people living with disabilities and youth own and manage existing and new agricultural enterprises
- increasing their access to economic activities, infrastructure and skills training
- empowering rural and local communities to have access to agricultural economic activities, land, agricultural infrastructure, ownership and skills
- increasing the representation of black women and black designated groups.

Mutton sheep are mostly found in the semi-desert areas of the Northern and Western Cape.

The most popular mutton breed is the locally developed Dorper. Limited numbers of indigenous fat-tailed sheep and Karakul sheep are still found.

The Merino and Dorper account for most of the 5,5 million sheep slaughtered annually in South Africa. Karakul sheep are farmed in the more arid areas. The gross value of Karakul pelts for 2006 was estimated at R6,2 million.

A large proportion of the 6,4 million goats in South Africa occur in communal grazing areas. The Eastern Cape has the largest number of goats (39%), followed by Limpopo (17%).

The indigenous meat-producing Boer goat accounts for about 40% of all goats in South Africa. Almost all of South Africa's Angora goat (mohair) farmers are located in the Eastern Cape, where they farm with about a million Angora goats. The South African mohair clip of four million kilogram accounts for 60% of the world's mohair production. About 63% of all goats in South Africa are so-called indigenous goats.

### **Poultry- and pig-farming**

The poultry and pig industries are more intensive than the sheep and cattle industries, and are dominant in almost all the provinces. The predominant pig breeds are the South African Landrace, the Large White, Duroc and the Pietrain.

South Africa's annual poultry meat production is estimated at 930 000 t. Broiler production contributes nearly 80% to total poultry-meat production, with the rest made up of mature chicken slaughter (culls), small-scale and backyard poultry production, ducks, geese, turkeys and other specialised white-meat products.

Commercial producers slaughtered an estimated 645 million broilers in 2006.

South Africa accounts for 68% of world sales of ostrich products, namely leather, meat and feathers. The income from ostrich products is derived as follows: leather (50 – 70%), meat (20 – 30%) and feathers (20 – 30%).

The gross value of ostrich products during 2006 was estimated at R336 million.

### **Aquaculture industry (freshwater and marine)**

South Africa is still in the developing phase of aquaculture, which is an underdeveloped market with great potential for job creation and food security. The total aquacultural production from South Africa is insignificant compared to African and global production.

The growth in aquaculture and aquaculture interest in South Africa is likely to lead to the rapid expansion of the sector during the next decade. This expansion depends on the integrated use of natural resources, funding, government support, technology and human resource development to ensure sustainable and equitable development.

### **Game ranching**

Game ranching in South Africa is one of the fastest-growing branches of the agricultural industry.

Since the 1970s, there has been a huge shift from cattle farming to game ranching. Provided they observe approved game-fencing rules, registered game ranches have permission to hunt throughout the year.

Some 49,04% of registered game ranches with an area of 3 325 652 ha are found in Limpopo. The Northern Cape has the second-highest number of game ranches (19,48%), covering 4 852 053 ha.

The Eastern Cape has 12,33% of the total game ranches, covering 881 633 ha. The Western Cape has the fewest game ranches (1,62%, and extending over 265 205 ha).

Owing to the expansion of game ranches, the total area covered by these privately owned ranches exceeds that of all national parks and provincial nature reserves put together. Game ranches also have growing numbers of game.

In terms of game ranching, game is considered to be an agricultural product as defined in the Marketing of Agricultural Products Act, 1996 (Act 47 of 1996).

The South African game-farming industry incorporates various subsectors, ranging from extensive wildlife ranching (with minimal human



During 2008/09, the Agricultural Research Council implemented a new approach towards the transfer of technology, which includes strengthening networks with key stakeholders by increasing the participation of black farmers in the Livestock Recording and Improvement Scheme. It trained 1 000 farmers in various technologies to increase productivity and extended training and advice on the development of feedlots to improve access markets for new and emerging beef farmers.



intervention) to intensive wildlife ranching (with supplementary feeding), wildlife breeding and ecotourism.

The Range (Veld) and Forage Section of the Directorate: Animal and Aquaculture Production (AAP) of the Department of Agriculture has, as its primary objective, the sustainable management, use and ecological protection of range and forage resources, as used by both livestock and wildlife (game) production systems, across provincial boundaries.

The Directorate: AAP has developed the National Game-Farming Policy, which aims to:

- support the effective management of viable game-farming systems
- ensure the sustainable management of natural resources
- facilitate the development of norms and standards for sustainable game farming
- promote and support equitable access to health management
- establish a national game-farm and animal database
- facilitate promotion and marketing
- deal with relevant food-safety issues
- promote research, training and support services.

The National Game-Farming Working Group consists of all relevant stakeholders in the game-farming industry to ensure that all the parties concerned are represented and participate fully.

### Beekeeping

The beekeeping industry contributes directly and indirectly to South Africa's GDP. At least 80% of the country's fruit and other vegetation is pollinated by honey bees. Many fruit growers obtain a nearly 100% higher crop yield by using the services of beekeepers in the pollination process.

By mid-2007, there was a domestic deficit of honey production, necessitating an increase in beekeepers. The income from honey- and hive-related products is estimated to be around

R25 million. However, the impact that beekeeping has on commercial crop production is estimated to be worth more than R3 billion and involves some 250 000 jobs.

### Indigenous food crops

The Directorate: Plant Production in the Department of Agriculture has developed the Draft Policy on Indigenous Food Crops. The policy was approved by the Departmental Executive Committee (Dexco) and recommended for consultation with various stakeholders.

### Veterinary services

The State Veterinary Services constantly guards against the introduction of animal diseases from outside South Africa. Existing animal diseases, which may be detrimental to South Africa's economy and to human and animal health, are also monitored, controlled and combated. Stock in the high-risk areas are inspected at short intervals.

The Directorate: Veterinary Services of the Department of Agriculture sets norms and standards for the delivery of veterinary services in South Africa.

Legislation provides the necessary powers to control diseases such as foot-and-mouth disease (FMD), swine fever, rabies and anthrax. South Africa, excluding the Kruger National Park and surrounding game reserves, is recognised as an FMD-free zone by the *Office International des Épizooties* (OIE), the world animal-health organisation.

The Department of Agriculture has created a biosafety and biosecurity unit and a branch to deal with all emerging diseases and improve on biosecurity and food-safety measures.

Animal-disease control is an important factor in ensuring the productivity of the livestock sector and in promoting international trade in agricultural products.

Surveillance systems are in place to ensure that all animal products entering and leaving the country are disease-free, or offer a negligible risk, and therefore pose little risk to the animal disease status of the country and are also safe for human consumption.

All commercial ports are thoroughly monitored to ensure that imported and exported goods are disease-free.

Particular emphasis is placed on the control of borders with neighbouring countries to prevent the introduction of FMD.





### **Onderstepoort Biological Products (OBP)**

The OBP is a state-owned public company. It has the capacity and technology to produce veterinary vaccines and related biological products for local and international markets.

The OBP is the sole or main producer of a number of vaccines for African and tropical animal diseases. The OBP provides vaccines to combat major outbreaks of diseases such as CBPP (lung-sickness in cattle), lumpy-skin disease, Rift Valley fever, bluetongue, African horse sickness and anthrax.

The OBP has joined the Pan-African Vaccine Network and contributes to the control of diseases, such as rinderpest and CBPP, through the supply of appropriate vaccines.

It is involved in projects with the Food and Agriculture Organisation (FAO) to supply vaccines to African countries, and is working with the European Union (EU).

In the cutting-edge area of biotechnology, the research and development work of the OBP has led to the successful creation of new and innovative vaccines, such as the double sure vaccine, which is a combination treatment for the prevention of anthrax and black quarter disease.

The ARC and the OBP have signed a co-operation agreement for the diagnosis of diseases and the development and manufacturing of vaccines.

### **Animal identification**

The Animal Identification Act (Aida), 2002 (Act 6 of 2002), administered by the Directorate: Veterinary Services in the Department of Agriculture, regulates the registration of unique markings for all declared animal species. Under the Act, the Minister of Agriculture declares animals for compulsory identification. The national Register is available to the South African Police Service through State Information Technology Agency links to trace ownership of individual animals to their owners.

However, that can only be successfully implemented if all cattle, goats, pigs and sheep are marked in accordance with the Act.

The directorate is also transferring knowledge to rural communities in consultation with provincial departments of agriculture on various themes, for example, the Aida, animal management, preserving fodder, feeding of animals, preventative activities, first aid to injured animals, marketing/harvesting of animals and their products, hygienic activities for meat and milk handling.

The Epidemiology Section is responsible for the monitoring of animal diseases in the country for both disease-control purposes and as an early warning system.

### **Pest control**

The South African Pest Control Association (Sapca) is the official representative of the pest-, termite- and woodborer-control industries. All Sapca-qualified inspectors have to register with the Department of Agriculture.

South Africa liaises with other countries and international organisations to ensure the transfer of pest-control technology.

### **Migratory pest control**

In terms of the Agricultural Pests Act, 1983 (Act 36 of 1983), the Department of Agriculture is obliged to control the registered national pests, namely, red-billed quelea, locust and blackfly. These are migratory pests and individual farmers cannot be expected to control these to prevent damage in areas away from their own farms.

The ARC provides research support to the department to optimise control procedures in terms of efficacy, cost and environmental considerations.

An international communication network has been established with neighbouring countries concerning migratory pest control. By providing early warning information on cross-border invasions of migratory pests, such as army worm, locust and red-billed quelea, the Information Core for Southern African Migrant Pests enhances the forecasting efficiency of control organisations, thereby assisting national crop protection agencies to ensure food security.

### **Marketing**

The introduction of the Marketing of Agricultural Products Act, 1996 (Act 47 of 1996), has changed agricultural marketing policy and practice dramatically to ensure that it occurs in a free environment.

The deregulation process was aimed at ensuring that farmers and agribusinesses position themselves as players in the globally competitive environment.

The deregulation process entailed closing agricultural marketing boards, phasing out import- and export-control measures, eliminating subsidies and introducing tariffs to protect the domestic agricultural industry value chains against unfair international competition.



Onderstepoort Biological Products (OBP) and the Department of Agriculture are implementing a contingency plan to ensure the availability of vaccines against animal diseases that have a potential major economic impact on South Africa. The department is strengthening relations through joint ventures with the Southern African Development Community, Africa and the European Union. The department has noted challenges with regard to access to vaccines to prevent animal diseases. The OBP and the department will fast-track the primary animal-care programme, which will ensure access to vaccines to the rural communities. This is a targeted support programme for subsistence and emerging farmers.



The Directorate: Marketing in the Department of Agriculture works closely with the National Agricultural Marketing Council (NAMC) on agricultural marketing matters.

The directorate develops, promotes and facilitates the implementation of programmes and measures aimed at supporting equitable access to competitive and profitable agricultural markets on a sustainable basis. This broad mandate is achieved through:

- administering market-access measures in the form of trade (imports and exports)
- facilitating fair, open, efficient and competitive domestic markets
- developing policies and strategies, and facilitating the implementation of programmes and measures to facilitate equitable access to mainstream the domestic market
- liaising with other government departments and relevant parties to enhance the efficiency of the agricultural marketing value chains.

The directorate comprises three subdirectorates, namely Marketing Administration, Commodity Marketing, and Marketing Development and Support.

The Subdirectorates: Marketing Administration administers the issuing of import and export permits to enhance trade and market access. It also facilitates the participation of new entrants in the trading environment.

The Subdirectorates: Commodity Marketing profiles key agricultural commodity marketing value chains and undertakes further analyses of market structures to determine market-access qualifiers.

It further investigates the behaviour of commodity and non-commodity markets to recommend policy options, thereby ensuring equitable access to mainstream markets by all.

The Subdirectorates: Marketing Development and

Support implements programmes and measures to enhance the development of a vibrant domestic market. It implements projects such as marketing, infrastructure support and marketing training and provides agricultural marketing information.

### National Agricultural Marketing Council

The NAMC was established by the Marketing of Agricultural Products Act, 1996. The council provides the Minister of Agriculture and Land Affairs with strategic advice on all agricultural marketing issues to improve market efficiency and access for all participants, optimise export earnings and improve the viability of the agricultural sector. Between 2004/05 and 2007/08, the NAMC transformed itself from an organisation whose functions were limited to investigating and advising on statutory measures to being the main agency for agricultural marketing.

The council has developed an economic and market research programme that tracks economic trends and provides market information that is aimed at improving South Africa's position in future global agricultural markets.

The NAMC's Food Price Monitoring initiative is a continuation of the Food Price Monitoring Project, which assists government in understanding the impact of high food price inflation on the poor. The NAMC, in collaboration with the Maize Trust, the Oilseed Trust and the Winter Cereals Trust, developed the summer grains marketing scheme to support 5 000 growers from black farming communities over five years.

### Land administration

The primary goal of the Directorate: Land Settlement is the internal administration of state agricultural land to achieve farmer settlement and ownership reform.

It also aims to facilitate the implementation of land and agrarian reform projects and promote sustainable growth in the agricultural sector for improved livelihoods by supporting projects, developing policy guidelines and ensuring the disposal of state agricultural land.

The directorate ensures farmer support by developing policies such as the Farmer-to-Farmer Mentorship Policy, implementing programmes such as the Comprehensive Agriculture Support Programme (CASP) and other land-reform revitalising programmes.

The directorate manages and controls





125 227 ha of state land, which consists of:

- land already leased: 57 154 ha
- vacant land: 13 811 ha
- land for restitution: 54 262 ha.

The CASP has been reprioritised to respond timeously to the demands of the Land and Agrarian Reform Project (LARP). The LARP is aimed at accelerating and aligning land and agrarian reform in South Africa.

The LARP focuses on the following objectives:

- redistributing five million hectares of white-owned agricultural land to 10 000 new agricultural producers
- increasing black entrepreneurs in the agribusiness industry by 10%
- providing universal access to agricultural support services to the target groups
- increasing agricultural production by 10% to 15% for the target groups, under the Ilima Letsema Campaign
- increasing agricultural trade by 10% to 15% for the target groups.

The LARP is a joint project of the Department of Land Affairs, the Department of Agriculture, provincial departments of agriculture, agricultural state-owned enterprises and sector partners.

### **Food security**

The Integrated Food Security and Nutrition Programme (IFSNP) aims to achieve physical, social and economic access to safe and nutritious food for all South Africans. Its goal is to eradicate hunger, malnutrition and food insecurity by 2015.

The IFSNP recognises the broad regional food-security framework that the Regional Indicative Sustainable Development Programme highlighted and that prompted South Africa to respond to the humanitarian appeal by the United Nations (UN) World Food Programme for emergency food relief in the SADC region. By May 2008, through the Household Food Production Programme, 15 765 food-production packages had been distributed and 6 390 vegetable gardens established.

Through the Farmer Support Programme, 903 clients received Micro-Agricultural Financial Institutions of South Africa (Mafisa) loans and R8,5 million was disbursed between January and March 2008.

### **Regional issues**

South Africa participates in the Regional Advisory Committee (RAC) of the Regional Food Security Training Programme (RFSTP).

The RFSTP was developed over a five-year

period as endorsed by the RAC. The activities of the RFSTP focus on three main areas: strengthening the supply of food-security training services, strengthening the effective demand for training and development and sustaining regional markets for food-security-related training services.

The SADC has instituted the Subcommittee for Plant Protection, which is tasked with harmonising phytosanitary requirements in southern Africa. South Africa is also a member of the Inter-African Phytosanitary Council, which was established in 1954. Regional plant-protection organisations such as these are able to provide valuable co-ordination of the activities and objectives of the International Plant Protection Convention (IPPC) at regional level. The Inter-Africa Phytosanitary Council is officially recognised as the Regional Plant Protection Organisation (RPPPO) for Africa. The council came into being as the African Union's (AU) phytosanitary co-ordinating body in 1969.

### **International issues**

As a signatory to the Rome Declaration, South Africa has committed itself to the implementation of the World Food Summit Plan of Action. For this purpose, South Africa reports annually to the World Committee for Food Security. South Africa is also collaborating with the FAO on the implementation of the Special Programme for Food Security, within the context of the Integrated Sustainable Rural Development Programme.

South Africa is an active participant in other international standard-setting bodies that are vital to its global market share, such as the IPPC, OIE and Codex Alimentarius.

### **Risk management**


#### **Disaster risk management**

Natural hazards that affect agriculture in South Africa include floods, hail damage, drought, runaway fires, cold spells, pests and diseases. While disaster risk is inevitable, the Department of Agriculture believes that it can be managed and reduced through appropriate policy and actions.

The department, in accordance with the Disaster Management Act, 2002 (Act 57 of 2002), emphasises prevention, mitigation and adaptation strategies such as the strengthening of an early warning system for the sector and research on climate change, including large-scale epidemics and hazards; as well as the provision of information to farmers on agricultural markets and climate.

The development and strengthening of





institutions, mechanisms and capacities at all levels, particularly at community level, can systematically contribute to developing resilience to hazards.

The Department of Agriculture has established the National Agrometeorological Committee, comprising provincial departments of agriculture, the ARC, the South African Weather Service, relevant directorates within the department and certain academic and scientific institutions with a mandate to provide an early warning advisory role to the sector.

The committee meets quarterly to review conditions in the country, look at the expected weather conditions and issue advisories to the agricultural sector. This committee is chaired by the Directorate: Agricultural Disaster Risk Management.

The Agricultural Disaster Management Plan has been presented at the Agricultural and Sustainable Rural Development Committee (ASRDC) meeting and Developmental Executive Committee (Dexco) for input and comments. The document was approved by the two committees for further stakeholder consultation. The terms of reference document has been drafted and presented to the ASRDC. The committee's terms of reference will be presented to Dexco after which prospective members will meet with disaster-risk units operating in all provinces.

### **Agricultural drought management**

Climate variability has induced drought interspersed with flooding, resulting in lower average agricultural production yields. The Agricultural Drought Management Plan has been approved by the Dexco and was expected to be presented to the Intergovernmental Technical Committee for Agriculture and Land and the National Intergovernmental Forum on Agriculture and Land in 2008.

### **Credit and assistance**

The six major sources of credit for farmers are banks (50%), agricultural co-operatives and agribusinesses (12%), the Land Bank (21%), private creditors (8%), other creditors and financial institutions (9%), and the State (1%).

### **Business and Entrepreneurial Development (BED)**

The Directorate: BED in the Department of Agriculture is mandated to ensure that emerging entrepreneurs and established enterprises have some synergy in the development of their agribusiness endeavours. The entire

process addresses the strategic objectives of eliminating skewed participation and inequity; optimising growth, remunerative job opportunities and income; and ensuring efficient and effective governance. It further promotes and provides strategic support in the development of viable and empowered businesses, stimulating growth and promoting unity through partnerships and niches.

The ultimate aims are to:

- unlock the economic potential of idle-to-underused resources of emergent groups through empowerment efforts
- facilitate restructuring and the expansion of existing farming/agribusinesses to enhance their competitiveness and contribution to the sector and the economy at large.

The Business Development Unit within the directorate works closely with industries/commodity groups to develop inclusive, enhanced and harmonised commodity strategies and joint action plans.

It assists marginalised groups in creating, expanding and rehabilitating business to become profitable and sustainable in the long term, focusing on growth and wealth creation based on mutual gains in the sector. It also encourages and facilitates win-win partnerships for niche enterprises at all levels in the agricultural value chains.


Through the directorate, the Department of Agriculture has contributed towards the development of the National Emergent Red Meat Producers' Organisation's database, the Grain Industry Strategy, the Fruit Industry Plan and the implementation of the Cotton Industries Strategy.

The directorate renders support and guidance to the cotton, grain and fruit industries in the implementation of their developed strategies. It is facilitating and supporting the potato industry in developing an industry strategy.

The unit has facilitated, jointly with industry role-players, the initial roll-out and implementation of the AgriBEE Entrepreneurial Programme in floriculture. The aim is to develop market/business opportunities for BEE enterprises across the value chain to grow and become globally competitive and sustainable, contributing to shared growth and employment creation.

Through joint internal actions in the department, activities are being mainstreamed to further reach black farmer organisations and entrepreneurs, accelerating their participation into commodity groups through farmer-mobilisation interventions.

The unit is in alignment with the objective of AsgiSA and supports Operation Gijima, Women in Agriculture and Rural Development and National



Movement for Rural Women Projects, as well as programmes involving people living with disabilities, youth and farm labourers.

It is facilitating and supporting the industry in developing a floriculture industry strategy aligned to the sector plan.

It collaborates with other tiers of government and sectors in rendering advice, support and guidance to agricultural value-chain projects owned by land-acquisition beneficiaries, the designated groups and other departmental grant-funded projects.

The Entrepreneurial Development Unit is responsible for initiating and rolling out the Small, Medium and Micro-Enterprise (SMME) Excellence Model in collaboration with partners within the provinces. These interventions focus on entrepreneurial development, increased agricultural enterprises' performance and job-creation activities, especially in rural-development nodes.

By mid-2008, the Entry Level Model was reviewed in line with lessons learned concerning the training of facilitators and farmers. The SMME version will follow. This process is intended to improve the effectiveness of skills development among emerging farmers.

The initial partnership with the University of Fort Hare is commencing its third year of operation and three additional partnerships are being established to support the roll-out process of the model.

The objective is to encourage as many emerging farm enterprises and sustainable enterprises to operate profitably to encourage sustainable jobs and income capacity in the sector through the development of high-level skills by means of SMMEs.

The BEE Unit leads in the formulation of BEE policy, norms and standards in the sector in terms of the AgriBEE Charter Gazette and the Broad-Based BEE Act, 2003 (Act 53 of 2003).

Through AgriBEE implementation, the goals of access to existing resources and opportunities, enhanced participation and ownership by designated groups (women, youth, people living with disabilities and labour) will be targeted.

### **LandCare Programme**

The LandCare Programme is a community-based and government-supported approach to the sustainable management and use of agricultural natural resources.

The vision of the LandCare Programme is for communities and individuals to adopt an ecologically sustainable approach to the management of

South Africa's environmental and natural resources, while improving their quality of life. It implies that cultivation, livestock grazing and the harvesting of natural resources should be managed in such a manner that no further degradation (such as soil erosion, nutrient loss, loss of components of the vegetation and increased run-off) occurs.

The overall goal of the LandCare Programme is to optimise productivity and sustainability of natural resources, resulting in greater productivity, food security, job creation and better quality of life for all. The LandCare Programme has been expanded into additional subprogrammes. The department has initiated the integrated Soil Protection Strategy (SPS) in support of growth and sustainable development in the agricultural sector.

The project aims to improve agricultural productivity and contribute to economic growth by focusing on erosion, declining soil acidity, soil fertility and organic matter, and veld rehabilitation.

The SPS focuses on high- to moderate-potential agricultural land with high erosion status (about three million hectares) and will initially identify three priority tertiary catchment areas.

LandCare themes are grouped into two areas, namely focused investment (WaterCare, VeldCare, SoilCare, Eco-Technology, Programme [ETP], Infield Rainwater Harvesting [IRWH] and Junior LandCare) and small community grants.

The Department of Agriculture transferred R55,7 million in 2006/07 to the nine provincial departments for LandCare projects. The projects involved 15 258 beneficiaries and resulted in 2 428 ha of soil protected from soil erosion, 4 358 ha of range land brought under improved management and 794 ha of weeds and alien plant controlled.

LandCare awareness was promoted through 12 891 activities and events, including capacity-building and partnerships with stakeholders and involving learners and other young people.


### **Focused investment**

#### **WaterCare**

The WaterCare theme targets Limpopo in particular, because of water shortages and the importance of water for irrigation. This theme establishes a framework for managing land and preventing the silting up of dams for irrigation. WaterCare works in partnership with the community to develop action plans for managing and restoring irrigation schemes.







The rehabilitation of irrigation schemes increases water supply and household food security. WaterCare promotes the development of techniques for water-resource management and encourages opportunities for training in this field.

#### **VeldCare**

This theme promotes best grazing systems and erosion-prevention practices to improve production. It develops and maintains agricultural activities in accordance with the principles of ecologically sustainable development. Economic and social-development opportunities are realised by improving grazing areas and maintaining viable grazing areas throughout rural communities.

#### **SoilCare**

The SoilCare theme encourages rural farmers in KwaZulu-Natal, the Eastern Cape and Mpumalanga to build innovative structures to combat soil erosion. This includes reducing the depletion of soil fertility and acidity. Through SoilCare, sustainable agricultural production systems such as diversification, management of input and conservation tillage are introduced.

#### **Eco-Technology Programme**

The objective of the ETP is to identify, adapt, demonstrate and spread promising and appropriate eco-technologies locally (such as conservation, farming and water harvesting), which will provide resource-poor farmers with social, economic and environmental benefits. The expected outcomes of this theme are an increased number of promising and appropriate eco-technologies identified and evaluated on-farm; an increasing number of farmers adopting eco-technologies; and improved social, economic and environmental (e.g. employment) benefits.

ETPs will initially be implemented in presidential nodal areas where water is very scarce, such as KwaZulu-Natal (Umkhanyakude and Zululand) and Limpopo (Sekhukhune and Bohlabela).

#### **Infield Rainwater Harvesting**

IRWH technology, which improves the efficiency of water use and increases yields with a suitable choice of crop combinations under low and erratic rainfall conditions on low-potential clay soils, has been transferred with great success to numerous communities in the Free State and Eastern Cape.

Using IRWH in croplands, community members have increased maize and sunflower yields by

between 26% and 40% compared with conventional practices. Socio-economic studies on vegetable gardens have shown that IRWH can secure household food security for nine out of 10 years, compared with three out of 10 years using conventional cropping methods.

Transfer of technology, training and extension are used to implement IRWH, with consequent improvement of household livelihoods in rural communities where the majority of members live below the poverty line.

#### **Junior LandCare**

Junior LandCare encourages young people to develop a sense of responsibility towards the land and other natural resources, in order to conserve these for future generations.


The objectives of Junior LandCare are to empower previously disadvantaged youth by providing training in facilitation and leadership skills. This includes the promotion of food security at home and in schools, promoting awareness of sustainable agriculture and stimulating the formation of youth clubs and projects that aim to promote other components of LandCare. Junior LandCare addresses the needs of young people in an integrated way and involves interdisciplinary approaches. This is done for youth both in and out of school.

#### **Land and Agricultural Development Bank of South Africa (Land Bank)**

The aim of the Land Bank is to promote, facilitate and support agricultural development. It does this through initiatives aimed at supporting equitable ownership of agricultural land by historically disadvantaged people, agrarian reform in all its dimensions, and development and access to land by historically disadvantaged people for agricultural purposes. The Land Bank is further mandated to initiate programmes aimed at removing the legacy of racial and gender discrimination in the agricultural sector. This is done by improving productivity, profitability, investment and innovation in the agricultural and rural financial systems to stimulate the growth of the sector, and seeing that land is used in an environmentally sustainable manner, thus ensuring food security.

To deliver on its mandate, in the past five years, the Land Bank has given direct assistance to emerging farmers. An estimated R793 million in retail loans has benefited 9 600 individual farmers. The improved capital position of the Land





Bank, following capital injection and a guarantee by government, will enable the bank to make disbursements to and support black farmers, thus accelerating agricultural development. In this respect the development of the new business model will enable the bank to focus on delivery, thus contributing to agricultural development.

The bank has disbursed a total of R2.4 billion in support of AgriBEE. The bank planned to disburse R300 million to developing farmers in 2007/08, R1 billion in 2008/09 and R2 billion in 2009/10.

The bank also intends to strengthen the systems, policies and processes for operational and strategic implementation. This includes adjusting credit policies to align with the new business model and developing partnerships with other sector players.

In July 2008, the administration of the Land Bank was transferred from the Department of Agriculture to the National Treasury.

### **Micro-Agricultural Financial Institutions of South Africa**

Mafisa is a state-supported programme providing micro and retail agricultural financial services on a large, accessible, cost-effective and sustainable basis in rural areas. Mafisa was launched as a pilot in three selected nodal districts of three provinces in 2005. The pilot areas were Sekhukhune District in Limpopo, OR Tambo District in the Eastern Cape and Mkhanyakude District in KwaZulu-Natal. It will be rolled out to other provinces.

Poor emerging farmers and agribusinesses who were previously turned down by financial institutions can now obtain short- and medium-term production loans of up to R100 000 per person at an affordable rate from this programme as long as they meet the set criteria. The estimated 10 million potential beneficiaries include farmworkers, farm tenants, household producers, small landholders, food-garden producers and micro-agricultural entrepreneurs. Mafisa is strictly for the agricultural sector but caters for the entire agricultural value chain. The products and services offered by Mafisa include agricultural production credit, savings mobilisation, micro insurance and payment and transfer facilities. With regard to the farmer support programme, 903 clients received assistance loans and a total of R8,5 million was disbursed in the first quarter of 2008.

### **Agri South Africa**

Agri SA was established in 1904 as the South African Agricultural Union. It serves some 70 000 large and small commercial farmers.

Agri SA promotes, on behalf of its members, the sustainable profitability and stability of commercial agricultural producers and agribusinesses through its involvement in and input at national and international levels. Agri SA is structured into three chambers, namely the General Affairs Chamber, which deals with general agricultural policy matters on behalf of nine provincial affiliates; the Commodity Chamber, which deals with subsector policy issues on behalf of 25 commodity organisations; and the Agricultural Business Chamber (ABC) with 65 agribusinesses as members.

Agri SA's annual congress, representative of its affiliates, is its highest decision-making body and also elects the organisation's president, deputy president and chamber vice presidents.

Agri SA is a member of Business Unity South Africa, the International Chamber of Commerce, the International Federation of Agricultural Producers, the Southern African Federation of Agricultural Unions and the Cairns Group Farm Leaders.

Agri SA participates in the Presidential Commercial Agriculture Working Group that deals with policy matters, specifically in terms of the Strategic Plan for South African Agriculture.

Agri SA's policy advocacy includes work on trade negotiations, industrial policy, labour laws, training, taxation, financing, land reform, farmer development, environmental affairs, water rights, farm safety, law and order, infrastructure, technology development and transfer, statistical information and local government matters.

It publishes a bimonthly magazine and a weekly electronic newsletter, and also runs a regular radio programme in collaboration with the SABC.

### **Agricultural Business Chamber**

The ABC is a sectoral body representing an important component of South Africa's business sector. ABC's members represent total assets of almost R20 billion and an annual agricultural business turnover of about R20 billion.

ABC members operate more than 2 000 service centres countrywide with more than 100 000 employees. In many rural areas, members of the ABC form the business hub of the community and make a key contribution towards maintaining rural infrastructure. There are about 250 agricultural co-operatives and companies affiliated with the ABC. The ABC is an integral part of the Agri SA Group, and is associated with Business South Africa, various international bodies and the International Agribusiness Management Association.



Agricultural businesses play a significant role in the economy of South Africa as handlers, processors and marketers of agricultural products, and as suppliers of production input and services.

### **Transvaal Agricultural Union South Africa (TAU)**

TAU SA was established in 1897 as the Transvaal Agricultural Union. In 2002, the union reorganised to become a national agricultural union serving commercial farmers. It also renders services to its members in terms of:

- property rights
- economic issues
- safety and security.

TAU SA conducts a variety of projects to enhance the concept of successful agriculture.

### **Agribusiness as an economic sector**

Agribusiness can be divided into two categories: non-co-operative business ventures and co-operatives or transformed co-operatives.

Non-co-operative business ventures, also known as profit companies, are involved in the production and distribution of agricultural equipment and production requisites, and the marketing of agricultural products.

Co-operatives dominate the distribution of intermediate requisites and the handling, processing and marketing of agricultural products.

Agricultural co-operatives or agribusinesses are regarded as the farmers' own independent business organisations. There are close to 1 000 primary agricultural co-operatives and agribusinesses throughout the country. They supply their members with production input such as seed, fertiliser, fuel and repair services. They also provide credit and extension services, and handle a large percentage of their members' produce.

There are more than 15 central co-operatives in the country, which aim to supply the primary co-operatives with specific services such as the processing and marketing of agricultural products, insurance services for crops, short-term cover and farming requisites.

The structure of agribusiness has changed substantially since the deregulation of the agricultural sector into a free-market economy in 1994. Many co-operatives have transformed into private companies, consolidations and mergers have occurred, international groups have entered South Africa, and agribusinesses have listed on the JSE Limited.

### **National African Farmers' Union**

Nafu strives to promote the interests of the disadvantaged farming sector by lobbying for access to support services and empowering its members through effective communication and capacity-building programmes.

### **Institutional capacity-building**

The Department of Agriculture has developed a databank for South Africa's agricultural human-resource capacity.

In collaboration with the Economic Development Institute of the World Bank, the department has designed and developed training courses for rural restructuring and development.

### **Comprehensive Agriculture Support Programme**

The CASP assisted 817 projects benefiting 53 248 people in the 2007/08 financial year. A larger number of projects than targeted were reached (817 instead of 786) but the number of beneficiaries was less than what was targeted.


An estimated 1 085 projects were targeted to benefit from the programme in the 2008/09 financial year, reaching an estimated 37 900 beneficiaries.

### **Training and research**

South African agriculture has a strong research component. Many of the people involved are world leaders in their respective fields. The ARC, an autonomous statutory body set up in terms of the Agricultural Research Act, 1990 (Act 86 of 1990), is the largest agricultural research organisation in Africa. The ARC provides research support to the Department of Agriculture and the nine provincial departments of agriculture. ARC scientific expertise supports most of the Department of Agriculture's regulatory directorates, such as the directorates: animal health, public veterinary health, agricultural production, agricultural resource cultivation and plant health.

The ARC also supports other agricultural institutions such as the Registrar of Livestock Improvement and Identification, the Registrar of Brands, the South African Veterinary Council and the Perishable Products Export Control Board. (See Chapter 17: *Science and technology*.)

South Africa has a number of specialised agricultural high schools and regular schools offering a comprehensive range of agricultural subjects. Prospective farmers can be trained at 11 colleges. Degree courses and B. Tech degrees



are offered by the faculties of agriculture at various universities.

Veterinary surgeons are trained at the University of Pretoria's Faculty of Veterinary Sciences at Onderstepoort.

### International relations

The Department of Agriculture's Directorate: International Relations facilitates and co-ordinates international activities on both multilateral and bilateral bases.

The department is a member of the FAO; the Consultative Group on International Agricultural Research; the Food, Agriculture and Natural Resources Sector of the SADC; the International Seed-Testing Association; the Organisation for Economic Co-operation and Development's Seed Schemes; the Union for the Protection of New Varieties of Plants; World Organisation for Animal Health; the International Organisation for Vine and Wine (OIV); and the International Cotton Advisory Committee. Contributing to the political, social and economic development of Africa is an international priority for the department.

Agriculture continues to be the mainstay of African economies and is an important driver for socio-economic growth.

South Africa's agricultural engagement in Africa is guided by a clear sense of the enormous potential for agricultural trade, training, research and technical co-operation opportunities that exist on the continent.

The directorate developed the International Agricultural Strategy, which sets priorities for international engagement in the medium term. The strategy is guided by South Africa's foreign-policy and economic-development objectives. The priorities are:

- consolidation of the African Agenda
- active participation in the AU
- active participation in and efficient implementation of the programme of the SADC food, agriculture and natural resources; and trade, finance and investment directorates
- sustainable development and poverty alleviation through the New Partnership for Africa's Development (Nepad)
- implementation of the Southern African Customs Union (Sacu) Agreement.

### International trade relations

The Department of Agriculture's Directorate: International Trade analyses international trade and

related policies, advises on multilateral and bilateral agricultural trade policy and promotes trade initiatives.

The directorate is responsible for dealing with matters concerning agricultural trade relations with other countries and organisations, such as the Sacu, the SADC, the World Trade Organisation (WTO) and the International Grains Convention. The directorate participates in exploring possible new trade relations in collaboration with the Department of Trade and Industry.

South Africa maintains bilateral trade agreements with countries in Africa, and will be involved in trade negotiations with India as part of Sacu. Sacu has concluded trade agreements with the EU through the South Africa-EU Trade Development and Co-operation Agreement (TDCA), South American Common Market (Mercosur) and the European Free Trade Association.

In July 2008, the SADC Free Trade Area was launched. This will be a stepping stone towards the SADC's common market.

Negotiations have continued with Mercosur in an attempt to balance the agreement in favour of the smaller members of both Sacu and Mercosur.

The negotiations with the United States of America (USA) met with some difficulty and both Sacu and the USA have decided to pursue a trade, investment and development co-operation agreement.

This framework will enable a series of trade-enhancing agreements. It is individually also involved in the WTO agricultural negotiations, as a member of the G20, the Cairns Group and the Africa Group.

The Directorate: International Trade is responsible for implementing South Africa's commitments in terms of the Agreement on Agriculture as defined under the Doha Development Agenda. South Africa commits itself to comprehensive negotiations aimed at substantial reductions in tariffs, with a view to phasing out all forms of export subsidies and achieving substantial reductions in all trade-distorting support.

In addition, the department is creating market-access opportunities by implementing the minimum market-access commitments contained in the agreement.

South Africa's objectives regarding the agricultural negotiations are to establish a fair and market-oriented trading system through a programme of fundamental reform. Other objectives are to achieve a substantial improvement



of market access for South African agricultural exports; to ensure that South Africa's commitment, in terms of domestic support, fully covers the development needs of the country; and that special and differential treatment is available for developing countries.

South Africa is developing trade relations with other countries. This includes implementing the agricultural aspects of the Sacu Agreement that came into effect in July 2004, the SADC Protocol on Trade and the South Africa-EU TDCa. The South Africa-EU TDCa was implemented on 1 January 2000. The department has introduced a system for making full use of opportunities created by the agreement.

This includes providing information to potential exporters, as well as the administration of export quotas granted to South Africa under the agreement. Since 1 January 2000, the department has been issuing export permits for various products such as wine, canned fruit, fruit juice, cut flowers, proteas, cheese and frozen strawberries to be exported to the EU at reduced levels of duty.

With the enlargement of the EU, the agreement was extended to include new members. It provides for reciprocal preferential access for the agreed list of products, including agriculture. The review of the TDCa will be merged with the SADC Economic Partnership Agreement negotiations with the EU.

The South African Government signed the Fixed Preferences Agreement with Mercosur (a treaty establishing a common market between Argentina, Brazil, Paraguay and Uruguay) in December 2004.

The department has reviewed the Trade and Marketing Policy to ensure stronger emphasis on long-term sustainability, and to make certain that policies and implementation are aligned. In addition, the Directorate: International Trade undertakes annual strategic market research to inform the positioning of the agricultural export sector in the global trading environment.

The department is investigating and evaluating export opportunities for agricultural products on world markets. The Directorate: International Trade facilitates national capacity and the training of role-players in the use of trade tools.

### **International agreements and conventions**

South Africa is a signatory to a number of international agreements and conventions, requiring that the matter of sustainable resource use and management be addressed in a responsible way.

Agenda 21 is an action plan and blueprint for sustainable development, and was one of five documents adopted by more than 178 governments at the United Nations (UN) Conference on Environment and Development in Rio de Janeiro in 1992. Specific to sustainable resource use is Chapter 14, which addresses the promotion of agriculture and rural development.

International conventions that apply to aspects of sustainable resource use include the Convention on Biological Diversity, the UN Framework Convention on Climate Change, and the Convention to Combat Desertification (CCD). The CCD requires that South Africa draw up a national action programme, which will be integrated into a regional programme for the SADC region.

All these activities are receiving attention under the leadership of the Department of Environmental Affairs and Tourism, involving all stakeholders, including the national and provincial departments of agriculture.

### **Import and export control**

The Import Export Policy Unit of the Department of Agriculture's Directorate: Animal Health aims to formulate and support policies to reduce sanitary (health) risks in the import and export of animals and animal products.

Import requirements vary according to the product and the animal-health situation in individual countries.

South Africa is an active member of the OIE. Disease reports are received from the OIE and through direct contact with the veterinary administrations in exporting countries.

Trade in animals and animal products is based on a series of requirements considered appropriate by the importing country to prevent the entry of diseases.

The department is one of the key regulatory state departments with the authority to enforce laws enacted by Parliament to protect the South African consumer, producer and farmer; the environment; and other national interests.

The department's regulatory activities regarding plants and plant products are primarily enforced by the directorates: agricultural products inspection services (APIS) and plant health.

In addition, the South African Revenue Service participates in this effort by detaining imported goods when requirements are not met.

The Directorate: APIS is involved in inspections and other related activities aimed at ensuring that imported luggage, cargo, mail, animals and plants





and their products are free from quarantine pests and diseases, and comply with genetic resources and quality-assurance prescripts and standards. These border inspections are conducted by the Division: Ports of Entry Point Control at designated ports of entry. The directorate has introduced the use of detector dogs at the OR Tambo International Airport in Kempton Park. These dogs are trained to detect regulated agricultural products at international arrival halls. This has been one of the mechanisms that APIS is using to intensify regulated agricultural product inspections at points of entry.

Pre-border inspections are aimed at exports for compliance with international requirements of trading partners, and post-border inspections are intended for those regulated articles that were given extended detentions at inspected borders or escaped the border-control inspections.

These inspections, together with national control inspections, are conducted by the Division: National Plants and Plant Products Inspection Services for compliance with plant-health, plant-improvement, genetic-resources and food- and quality-assurance legislation. The division also carries out various surveys around the country.

The Directorate: Plant Health's core mandates are to manage the risks associated with plant pests and diseases by developing and amending phytosanitary legislation and facilitating safe trade in plants and plant products.

Control measures are published to prevent or combat the spread of pests to other areas in the country. Import control is vital to prevent the introduction of potentially harmful foreign pests. Prospective importers of plants and plant products have to apply for an import permit for those controlled goods mentioned in the Agricultural Pests Act, 1983.

The Pest Risk-Analysis (PRA) Division conducts scientific analyses of risks posed, based on scientific data, and specific phytosanitary requirements set out according to the phytosanitary risk(s) involved. These are stipulated in the permit issued to the importer. Importers are obliged to present the material to the official inspection representative at the port of entry.

The Directorate: Plant Health's Division Plant Quarantine Services manages the risks associated with the importation of plant propagation material. This is achieved by prescribing a compulsory quarantine detention period for specific high-risk categories as determined by the PRA Division. The

core function of Diagnostic Services is to prevent the introduction of harmful exotic plant pests by testing and auditing all imported plant material.

The Early Warning Division ensures sound plant health-risk management implementation services through surveillance, detection and rapid response.

Early detection of economically important exotic pests prevents the spread of such pests, thereby maintaining pest-free areas in respect of specific pests. Closely linked to early detection is proper pest-awareness programmes to ensure the agricultural sector and the general public are kept informed. The International Standards Division aims to facilitate effective and efficient official phytosanitary communication between the Directorate: Plant Health and its international, regional and other national plant-health clients.

This is done through the management of national plant-protection contact points and participation in initiatives of external clients such as the WTO Committee on Sanitary and Phytosanitary Measures, the IPPC and its working groups and committees, the Inter-African Phytosanitary Council, other national plant-protection organisations or governments, research institutes, as well as any member of the international agricultural trade sector. The Import/Export Protocols Division's core function is to ensure and maintain market access for South African plants and plant products. This includes exchanging plant-health information and expertise in terms of bilateral engagements, and maintaining bilateral export/import programmes in compliance with trading-partner requirements according to established protocols.


### **Food safety and quality assurance Policy on Animal Feeds**

The Department of Agriculture published the South African Policy on Animal Feeds on 30 April 2008. This document is intended to serve as a framework for the regulation and legislation of animal feeds in South Africa.

### **South African Pesticide Initiative Programme (Sapip)**

The final evaluation of the Sapip was done from 10 February to 20 March 2008 by a consortium called Agri-Systems. In terms of the evaluation report, the programme is considered as an activity rather than results-directed and is regarded as extremely efficient in the implementation of activities.





The programme was generally regarded as having achieved its objectives.

However, there were areas which needed to be sustained, such as the Emerging Farmer Working Group, to ensure that issues affecting emerging farmers receive continuous attention; and the chemical maximum residue limit information hub, which was critical in setting up maximum residue limits for minor crops.

### **Food-control system**

A task team, made up of representatives from the departments of agriculture, of health, and of trade and industry, succeeded in appointing a service-provider to compile a country profile, which will inform the strategy to be followed in implementing a comprehensive food-control system.

### **World Wine Trade Group (WWTG)**

The WWTG is an informal grouping of industry and government representatives from wine-producing countries, founded in 1998. The group aims to share information, collaborate on a variety of international issues and create an environment for free trade in wine. The group consists of Argentina, Australia, Canada, Chile, Mexico, New Zealand, South Africa and the USA.

The Agreement on Mutual Acceptance of Oenological Practices and the Agreement on Requirements for Wine Labelling form the basis of the WWTG. These are enabling agreements to facilitate the trade of wine among signatory parties by recognising each other's wine-making and labelling practices as being in compliance with their own. This significantly improves trade flows among the signatory parties, thereby reducing transaction costs relating to exports.

In a short period of time, the WWTG has proven to be an important force in influencing the regulation of the international wine trade. Beginning with a shared vision and a commitment to open international trade, participating countries have begun to reshape the regulatory environment in which the international wine business operates.

### **Progress at the International Wine Office**

Member states of the OIV met on 20 June 2008 in Verona, Italy, for the sixth General Assembly of the OIV.

Among other things, the General Assembly adopted by consensus the OIV *Guide on Environmentally Sustainable Viticulture*. This document is a guide to setting up environmentally sustainable

production in the international sector, principally concerning production, the processing of grapes in addition to packaging of products, while taking into account the larger considerations of sustainable production.

### **Progress with the Liquor Products Amendment Bill**

The Liquor Products Amendment Bill was approved by the Cabinet Committee on 9 April 2008. The Bill included a provision on the constitution of the Wine and Spirit Board to make it more representative.

It also includes provisions to ensure compliance with South Africa's international commitments.

The provision for the implementation of the Wine and Spirit Agreement has been included in the Liquor Products Amendment Bill.

This will therefore provide the authority to implement the agreement.

Provisional implementation has, however, commenced on 1 January 2002 by virtue of an exchange of letters between South Africa and the EU.

### **National analytical services**

The Department of Agriculture's laboratories in Pretoria and Stellenbosch support the units within the department responsible for formulating and updating regulations regarding agricultural foods of plant origin and liquor products.

The laboratory in Stellenbosch uses state-of-the-art equipment (liquid chromatography mass spectrophotometer) to detect low concentrations of compounds used in wine adulteration. Two projects have been completed:


- adulteration of Sauvignon Blanc wine with foreign methoxy-pyrazines
- investigation into the bromine content of South African wines.

Following the success of these projects, improved market access can be achieved by South African wine producers and confidence in South African wines among the international community will be gained. The Pretoria laboratory also uses a liquid chromatography mass spectrophotometer to expand the scope of chemical residue tested for by the laboratory as per recommendation by the EU's Food and Veterinary Office.

### **Meat safety**

#### **Food safety, quality-risk awareness and education programmes**

The overall functions of the Directorate: Food Safety and Quality Assurance are carried out to



create an enabling environment for food-business operators along the value chain to ensure food safety and quality of agricultural products from farm to fork.

The directorate carries out its mandate in terms of the legislation, regulations, requirements, norms and standards for both local and export markets. To ensure industry compliance to food safety and quality standards, and to foster understanding of management decisions by the clients, the directorate conducts food safety and quality education and awareness programmes. Through these programmes, the directorate reaches out to clients consisting of industry associations, farmers, exporters, retailers, manufacturers, and beneficiaries of the LARP. The awareness programmes are also aimed at consumers and the general public to promote the consumption of safe, nutritious and quality food.

In terms of the Meat Safety Act, 2000 (Act 40 of 2000), no person may sell or provide meat for human or animal consumption unless the animal from which the meat is sourced has been slaughtered at a registered abattoir. The Directorate: Veterinary Services provides for regulations under the Meat Safety Act, 2000 and, in co-operation with the provinces, ensures that the essential national standards for abattoirs and meat safety required by the Act are implemented countrywide.

The directorate is responsible for monitoring standards at export abattoirs and for the safety of imported meat. It provides inspection services at a number of export abattoirs to ensure compliance with EU requirements.

### Land Affairs

The Department of Land Affairs aims to be a global leader in the creation and maintenance of an equitable and sustainable land dispensation that results in social and economic development for all South Africans.

The department's key focus is on providing enhanced land rights to all South Africans, with particular emphasis on previously disadvantaged individuals, which will result in increased income levels and job opportunities, productive land use and well-planned human settlements.

South Africa's land reform is premised on three programmes: Land-Tenure Reform, Redistribution and Restitution. While the Department of Land Affairs implements land-tenure reform and redistribution, the Commission on the Restitution of Land Rights (CRLR) implements the Land Restitution Programme.

The department has four branches, namely Land and Tenure Reform (LTR), Restitution, Land Planning and Information (LPI) and Corporate Services.

### Branch: Land and Tenure Reform

The Branch: LTR is responsible for implementing redistribution, tenure reform and state-land administration and disposal. Its components are the Chief Directorate: Strategic Management and Technical Support Services and the Chief Directorate: Land Reform Implementation Management and Co-ordination (LRIM).

The Chief Directorate: Strategic Management and Technical Support Services consists of the Public Land Support Services, Tenure Reform Implementation Systems and the Redistribution Implementation Systems. This chief directorate is responsible for developing and refining legislation, systems and procedures to enable provincial land-reform offices (PLROs) to deliver land at scale. It also supports PLROs in the areas of capacity-building, information management and communication. The Chief Directorate: LRIM is responsible for co-ordinating the actual implementation of the land- and tenure-reform programme and manages state land at provincial level, through the PLROs and at district level through the district land-reform offices.

### Land-reform implementation

The department delivered 2,191 million ha of land by August 2007. The target is to redistribute 30% of white-owned commercial agricultural land by 2014. To achieve this, 3% has to be redistributed every year.

The envisaged massification programme and the Proactive Land Acquisition Strategy (PLAS) will go a long way towards addressing the concerns raised during the National Land Summit in July 2005 about the slow pace of land delivery. In line with the objective of increasing the pace of land delivery, an implementation framework for the PLAS was developed. Specific systems were developed for a pilot project in the Free State. The department has since adopted this framework, which was expected to be replicated across the country. This new approach is one of the interventions the department has developed to respond to the concerns raised at the summit. The Commonage Subprogramme delivered 55 661 ha in 2006. The department delivered 2 793 ha of land for settlement and slum clearance and plans to revive the bilateral approach to align



policies, programmes and resources with those of the Department of Housing.

The details of the National Implementation Framework (NIF) for the Communal Land Rights Act (CLaRA), 2004 (Act 11 of 2004), were finalised during 2005/06. The purpose of the NIF is to clarify the important implementation arrangements for the CLaRA, including the provision of necessary resources for implementing the Act.

Launched in 2001, the LRAD Programme, which is a subprogramme of the Land Redistribution Programme, provides financial support to emerging farmers through a match-funding arrangement in which the beneficiary has to contribute money, labour (sweat equity) or capital equipment.

Depending on the size of the contribution, the beneficiary qualifies for a grant of between R20 000 and R100 000.

### **Vesting and disposal of state land**

The department has finalised the audit of state land, which consisted of 280 000 land parcels totaling 23 million ha.

This exercise was key in ensuring that there is efficient public land administration.

### **Deeds registration**

The nine deeds registries are located in Pretoria, Cape Town, Johannesburg, Pietermaritzburg, Bloemfontein, Kimberley, King William's Town, Vryburg and Mthatha. These offices register deeds and documents relating to real rights in more than seven million registered land parcels consisting of township erven, farms, agricultural holdings, sectional title units and sectional title exclusive-use areas. To take deeds-registry services to the people, the department aims to establish a deeds registry in every province. The first phase of this project entails establishing a deeds registry in Nelspruit, Mpumalanga.

The deeds registry is open to any member of the public to access information with regard to the following:

- the registered owner of a property
- the conditions affecting such property
- interdicts and contracts in respect of the property
- purchase price of the property
- rules of a sectional title scheme
- a copy of an antenuptial contract, deeds of servitude and mortgage bonds
- a copy of a sectional title plan
- township establishment conditions
- information relating to a property or deed.

### **Branch: Land Planning and Information**

The Branch: LPI is responsible for the surveying, mapping and registration of land, as well as for spatial planning and information.

### **Surveys and Mapping**

This chief directorate provides infrastructure (a survey control network) to define any position on the Earth in terms of mathematical co-ordinates.

Professional land surveyors in private practice base their surveys of land and real rights on this control network and in relation to other existing land rights.

The National Mapping Agency provides maps in useful formats to show what exists on the ground.

The Chief Directorate: Spatial Planning:

- provides policy so that government can control planning
- defines how the country should be planned
- provides spatial information to organisations.

The Chief Directorate: Cadastral Surveys defines land rights in terms of:

- what the right is
- where the right is
- who owns the right
- how that right is owned.

It consists of four pillars:

- private-sector professional land surveyors
- surveyors-general
- private-sector conveyancers
- the Registrars of Deeds.

The surveyors-general support cadastral surveys through the adjudication of every cadastral survey performed by the professional land surveyors in private practice to ensure that they comply with all legislation and can be registered by the Registrar of Deeds. Surveyors-general also provide a repository for all documents that identify the position of immovable property rights lawfully created.

Conveyancers take documents of surveys approved by the Surveyor-General and lodge them with the Registrars of Deeds to register ownership. The Registrars of Deeds also provide a repository of all title deeds registered and transferred.

All the information emanating from these functions is available as hard-copy maps as well as in digital format.

### **Branch: Commission on the Restitution of Land Rights**

The CRLR is a statutory body set up in terms of the Restitution of Land Rights Act, 1994 (Act 22 of 1994), as amended. The role of the commission





is to provide redress to victims of dispossession of rights in land, as a result of racially discriminatory laws and practices that took place after 19 June 1913.

The commission is led by the Chief Land Claims Commissioner and has nine regional offices headed by regional land claims commissioners.

Since its establishment in 1994, the CRLR has settled 74 808 out of 79 696 land claims lodged, at a cost of R16 billion. It is expected that all outstanding claims could be settled by 2011.

In June 2008, 2 621 households had received 81 050 ha of land worth R186 million as part of the commission's efforts to fast-track the delivery of land in commemoration of the 95th anniversary of the promulgation of the Native Land Act of 1913.

One of the largest land claims settled by the CRLR during 2007/08 was the Richtersveld properties

with a total value of R303 million, involving 80 000 ha of land for the Nama community. The State paid R50 million to the community as compensation for having been deprived of access to the land and mineral rights.

An amount of R190 million was allocated towards the payment of the extraordinary reparation to the community as compensation for the depletion of the diamond resources.

The settlement provides for the formation of a Pooling and Sharing Joint Venture (PSJV) between the diamond mine Alexkor and the Richtersveld community. The PSJV will put in place a mine-development plan and programme to upgrade the land and sea diamond resources and will develop a business plan to contribute to a viable mining venture.



## Acknowledgements

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